California Industry Projections 2007 – 2009

Total employment, including Self-Employment, Unpaid Family Workers, Private Household Workers, Farm Employment, and Nonfarm Wage and Salary Employment in California is expected to have nominal growth at 0.3 percent annually between 2007 and 2009. Total Nonfarm employment in 2009 is anticipated to reach approximately 15.3 million with a net increase of 104,600 new jobs.

About 75 percent of new Nonfarm Wage and Salary jobs are forecasted to occur in Professional and Business Services (68,600), Education and Health Services (58,800), and Leisure and Hospitality (37,700). Growth in these sectors will offset the forecasted job loss in Construction (-53,200), Financial Activities (-28,900), Manufacturing (-26,000), and Retail Trade (-5,400).

Professional and Business Services is projected to be the fastest growing major industry sector with an annual growth rate of 1.5 percent. Within this sector, the greatest concentration of job gain is likely to occur in Computer Systems Design and Related Services (17,300), Management, Scientific, and Technical Consulting Services (17,100), and Employment Services (12,000).

Construction will record the most job losses over the projected period, declining by -2.9 percent annually. About 70 percent of the decline in this sector is concentrated in Specialty Trade Contractors (-37,000). The projected decline in this industry is due to the effects of the subprime mortgage crisis with increases in foreclosures, growing housing inventories, and large reductions in new home construction.

The Employment Development Department's Labor Market Information Division (LMID) developed these employment projections for the third quarter of 2007 to the third quarter of 2009. Because we used the third quarter (July – September) to make our employment estimates, seasonal industries, such as farming, may be slightly higher or lower than annual average employment estimates for the same industries published elsewhere.

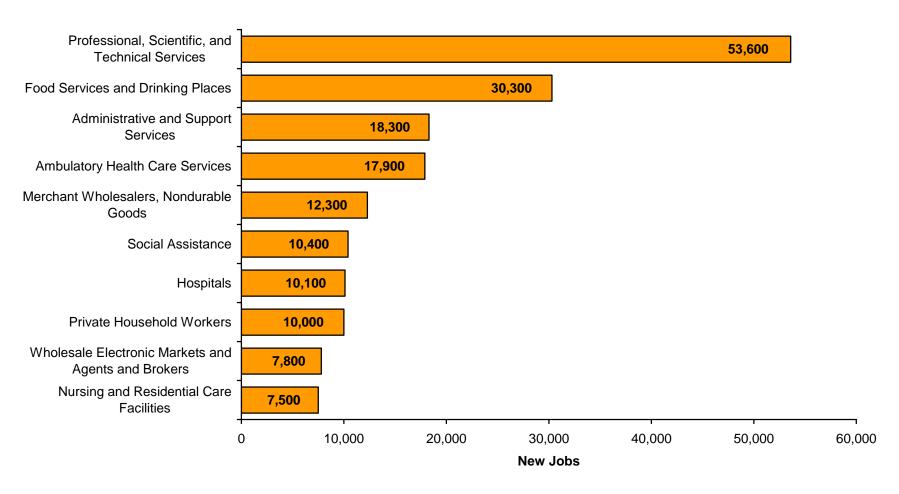
The complete <u>2007-2009 Industry Employment Projections</u> are available online.

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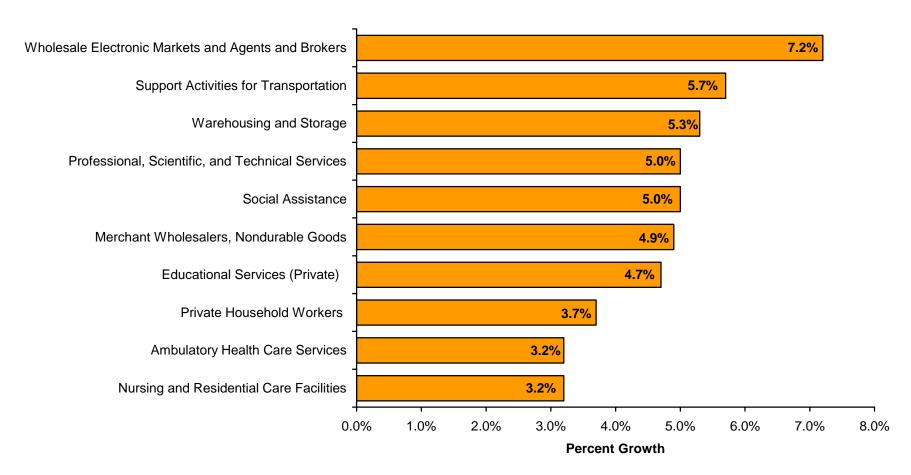
Employment Development Department Labor Market Information Division

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California
Top Ten Growth Industries
2007-2009



California
Top Ten Fastest Growing Industries
2007 - 2009



Industries with employment below 50,000 are excluded.